



February 23, 2011

Representative Guerrero, Senator Maynard, and members of the Transportation Committee  
Room 2300  
210 Capitol Ave  
Hartford, CT 01606

Dear Representative Guerrero, Senator Maynard and members of the Transportation Committee

Thank you for the opportunity to speak to you today regarding the House Bill 5391, **AN ACT CONCERNING THE REDEMPTION OF SCRAP METAL**; *That the general statutes be amended to require that any person who redeems scrap metal be required to disclose where such person obtained such scrap metal.*

I am the Traffic and Scale Manager of Connecticut Operations for Sims Metal Management, which has metal recycling operations in Stamford, North Haven and New Haven.

I believe that amending the current law to include a provision "to require that any person who redeems scrap metal be required to disclose where such person obtained such scrap metal" would not help stop metal theft and instead add yet one more hardship to the honest recycler that we can ill afford. I believe the only solution to stopping metal theft is to allocate resources to assist local law enforcement to pursue criminals committing these crimes and to enforce the law already in place – specifically by bringing all recyclers in compliance with the current regulations.

The major issue we find with this amendment is the fact that the seller of the material could simply lie about the origin of the material. Our scale operators and inspectors are not officers of the law and we do not have the ability or the resources to make every transaction an affidavit. Just our facilities in North Haven and New Haven process more than 400 transactions, totalling more than 1,000 gross tons, daily. Often we are receiving material by the semi-truck load from other dealers and suppliers, making it impossible to determine the origin of every piece of metal in such a load.

At this time, there is uneven application of the current law, Public Act 07-121, that has led to a "push down, pop up effect" on honest recyclers like Sims Metal Management that have fully implemented the law and, as a result, are losing business from honest sellers that are concerned about civil liberties and the onerous amount of documentation involved with transactions.

As many in law enforcement and other agencies can attest, real results can only be achieved through cooperation between recyclers, law enforcement and the affected parties and vigilance on part of the public and property owners. We routinely conduct meetings with local trade and business organizations, law enforcement and utilities to further collaborative efforts. Additionally, we would be happy to meet with the members of the Committee and give them a tour of one of our facilities so that they may see firsthand the challenges of enacting this amendment.

We continued to work with law enforcement and affected industries to make sure scrap metal recyclers across the state are in compliance with Public Act 07-121.

Thank you for your time, I look forward to working with you more on this issue.

Sincerely,

William Rosato  
Traffic and Scale Manager - Connecticut  
Sims Metal Management



Honorable Members,

What is Proposed House Bill No. 5290?

We call it TRIPP.

TRIPP is a new way to raise enormous new Revenues for the State of Connecticut.

HOW?

Right now, Connecticut is sitting on millions of pieces of Personal Property from which it collects not a single penny.

What is this Personal Property?  
Registered Vehicle License Plates

How Many Are There in Connecticut?  
3.1 Million

What is the cost to the owner under this Plan?  
3 cents a day, \$1 a month = \$12 a year

Why should an owner pay the 3 cents a day?

- They don't have to, TRIPP is 100% **voluntary**
  - Just like state gambling is voluntary
  - Just like the State Lottery is voluntary

The only major segment of our depressed economy that showed any increase in revenue last year was the Lottery.

What is your risk to pass a TRIPP Bill?  
None.

Why?  
Because it is 100% **voluntary**

Why should a license plate holder pay 3 cents a day for TRIPP?

1. It creates a value for the license plate which can then be traded for \$ thousands and
2. It gives the license plate holder **208 chances** to win \$5,000 to \$10,000 every week for only **3 cents a day** – no lottery can match those odds

What's Involved to Implement TRIPP?

First: A Bill that permits registered license plates to be classified as Personal Property;

- a. The State will collect a percentage of the sales price from each trade.
- b. The local **Cities and Towns** will collect **Annual Revenues (\$12/M)** for the life of every vehicle Registered.

For Example

Bridgeport – 72,030 Vehicles = \$864,360 every year  
New Haven – 54,601 Vehicles = \$655,212 every year  
Danbury – 63,651 Vehicles = \$763,812 every year  
Bristol – 53,979 Vehicles = \$647,748 every year

\*Also please reference the Chart you have attached

- c. This Revenue received by the Cities and Towns relieves the State from sending that much more to the Cities and Towns every year.

Second: A new Auction page within the existing State website;

Third: A new Drawing within the existing State website; and

Fourth: A new Property value category within the existing local Cities and Towns Assessing

What Is The Cost To The State?

Zero

What is the administrative burden to the State or Lottery or City or Town?

Almost Zero

The infrastructure I have just outlined already exists in Connecticut to absorb this Plan

Why?

Because what I have just proposed is 98% computerized

All we have to do is interface with existing State Programs with your IT people by what we call a  
"Piggy-Back" Program

Honorable Members, The more people pay voluntarily, the less you have to raise taxes

Last year, \$285 Million was paid to your General Fund by the Lottery

Every single penny of that \$285 Million was raised voluntarily

The CLC paid 28.5% to the General Fund – TRIPP will pay 81.5% ( $3.1 \times 12/M = 37.2M$  less

License fees, start-up, prizes =  $30.32 = 81.5$ )

The 37.2 does not include the percentage of the sales price, transfer fees and annual revenues for the local Cities and Towns where the vehicle is registered.

Thank you.

Charles Tate

Pat. Pend.

TOWN/CITY	NUMBER OF CURRENTLY REGISTERED MOTOR VEHICLES	ANNUAL REVENUE FROM LICENSE PLATES <sup>1</sup>
Bridgeport	72,030	\$864,360
Bristol	53,979	\$647,748
Clinton	13,740	\$164,880
Danbury	63,651	\$763,812
Darien	17,477	\$209,724
East Hartford	40,178	\$482,136
Glastonbury	31,875	\$382,500
Hamden	42,299	\$507,588
Manchester	46,758	\$561,096
Middletown	36,597	\$439,164
New Britain	44,170	\$530,040
Newtown	26,564	\$318,768
New London	16,651	\$199,812
New Haven	54,601	\$655,212
Suffield	14,190	\$170,280
South Windsor	29,112	\$349,344
Salem	4,788	\$57,456
Stamford	88,773	\$1,065,276
Stonington	18,625	\$223,500
Waterford	24,040	\$288,480
Westbrook	7,698	\$92,376
Wethersfield	23,054	\$276,648
Windsor	27,467	\$329,604
Windsor Locks	21,171	\$254,052

**TOTAL FOR LISTED TOWNS:      \$9,833,856**

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<sup>1</sup>Based upon an initial value of each license plate at \$1,000 and an assessment of \$12/1,000 of value. These numbers will increase with the prospective sale of plates and their increase in assessed value.

